

MOORE & VAN ALLEN, PLLC

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April 15, 1998

VIA FEDERAL EXPRESS

Secretary Vernon A. Williams
Surface Transportation Board
1925 K Street, NW
Suite 700
Washington, DC 20423

RECORDATION NO. 21334 FILED

APR 16 '98

11-24 AM

APR 16 11 24 AM '98

RECEIVED
SURFACE TRANSPORTATION
BOARD

Re: *Recordation of Memorandum of Lease, Lease Supplement and Security Interest dated February 24, 1998*

Dear Mr. Secretary:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) original Memorandum of Lease Agreement dated February 24, 1998. These are primary documents as defined in the Board's Rules for the Recordation of Documents.

A description of the railroad equipment covered by the enclosed document is set forth on Schedule I attached hereto. Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the recordation fee.

Please return the stamped original document to the undersigned. A Business Reply Mail envelope is enclosed for your convenience. If you have any questions regarding these documents or this matter, please do not hesitate to contact me at (704) 331-2444.

Respectfully,

MOORE & VAN ALLEN, PLLC



Stephen D. Pillow
Legal Assistant

sdp

Enclosures

cc: Robert V. Baker, Esq. (without enclosures)

SCHEDULE I

DESCRIPTION OF EQUIPMENT

DESCRIPTION OF UNITS: 50 new National Steel Car manufactured 73' long, 286,000 lb.
gross rail load centerbeam lumber railcars

REPORTING MARKS: NOKL

CAR NUMBERS: 733000 through 733049

APR 16 '98

11-24AM

**MEMORANDUM OF LEASE, LEASE SUPPLEMENT
AND SECURITY INTEREST**

THIS MEMORANDUM OF LEASE, LEASE SUPPLEMENT AND SECURITY INTEREST dated as of February 24, 1998, is between FIRST UNION COMMERCIAL CORPORATION, a North Carolina corporation, as lessor ("Lessor"), and WESTRAN USA, INC., a Nevada corporation, as lessee (the "Lessee").


WHEREAS, the Lessor and the Lessee have entered into that certain Equipment Lease Agreement dated as of February 24, 1998 (the "Lease Agreement") as supplemented by that Lease Supplement No. 1 dated as of February 24, 1998 (the "Lease Supplement;" the Lease Agreement as supplemented by the Lease Supplement, being referred to herein as the "Lease") between the Lessor and the Lessee, and placing under lease railcars bearing the car numbers as set forth on Schedule 1 attached hereto, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor;

WHEREAS, the Lessee under the Lease grants to Lessor a security interest in all items of Equipment set forth on Schedule 1 attached hereto, all replacements and substitutions therefor and all proceeds thereof;

NOW, THEREFORE, to secure the payment when and as due, and the performance when required, of the obligations of the Lessee under the Lease, the Lessee does hereby grant to the Lessor a security interest in the railcars bearing the car numbers as set forth on Schedule 1 hereto, all replacements and substitutions therefor and all proceeds thereof.

IN WITNESS WHEREOF, the parties wish to show for the public record the aforesaid Lease and grant of a security interest in the railcars bearing the car numbers as set forth on Schedule 1 hereto, all replacements and substitutions therefor and all proceeds thereof and accordingly have caused this Memorandum of Lease, Lease Supplement and Security Interest to be executed by their officers thereunto duly authorized, as of the date first above written. This memorandum may be executed in counterparts, each such counterpart shall be binding on both parties hereto, notwithstanding that both parties are not signatories to the same counterpart.

FIRST UNION COMMERCIAL
CORPORATION, as Lessor

By: 
Name: PAUL W. VAN WIE
Title: SENIOR VICE PRESIDENT

WESTRAN USA, INC., as Lessee

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties wish to show for the public record the aforesaid Lease and grant of a security interest in the railcars bearing the car numbers as set forth on Schedule 1 hereto, all replacements and substitutions therefor and all proceeds thereof and accordingly have caused this Memorandum of Lease, Lease Supplement and Security Interest to be executed by their officers thereunto duly authorized, as of the date first above written. This memorandum may be executed in counterparts, each such counterpart shall be binding on both parties hereto, notwithstanding that both parties are not signatories to the same counterpart.

FIRST UNION COMMERCIAL
CORPORATION, as Lessor

By: _____
Name: _____
Title: _____

WESTRAN USA, INC., as Lessee

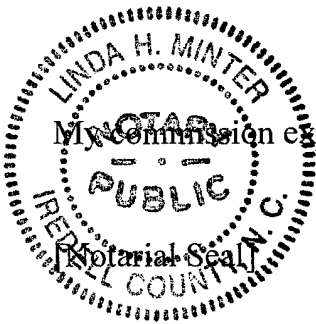
By: Howard C. Little
Name: HOWARD C. LITTLE
Title: PRESIDENT.

STATE OF North Carolina

) ss:

COUNTY OF Iredell

The foregoing Memorandum of Lease Agreement and Lease Supplement No. _____ was acknowledged before me, the undersigned Notary Public, in the County of Mecklenburg this _____ day of _____, 1998 by Paul W. Van Wie, as Senior Vice President of FIRST UNION COMMERCIAL CORPORATION, a North Carolina corporation, on behalf of the corporation.



My commission expires: 3-18-2002

Linda H. Minter

Notary Public

STATE OF _____

) ss:

COUNTY OF _____

The foregoing Memorandum of Lease Agreement and Lease Supplement No. _____ was acknowledged before me, the undersigned Notary Public, in the County of _____ this _____ day of _____, 1998 by _____, as _____ of WESTRAN USA, INC., a _____ corporation, on behalf of the corporation.

Notary Public

My commission expires: _____

[Notarial Seal]

STATE OF _____)

) ss:

COUNTY OF _____)

The foregoing Memorandum of Lease Agreement and Lease Supplement No. _____ was acknowledged before me, the undersigned Notary Public, in the County of _____ this _____ day of _____, 1998 by _____, as _____ of FIRST UNION COMMERCIAL CORPORATION, a North Carolina corporation, on behalf of the corporation.

Notary Public

My commission expires: _____

[Notarial Seal]

Province
~~STATE OF~~ *British Columbia*

) ss:

COUNTY OF *Vancouver*)

The foregoing Memorandum of Lease Agreement and Lease Supplement No. 1 was acknowledged before me, the undersigned Notary Public, in the County of Vancouver this 31 day of March, 1998 by Howard C. Little, as President of WESTRAN USA, INC., a Nevada corporation, on behalf of the corporation.



Notary Public

My commission expires: N/A

DOUGLAS W. SAUER
A Notary Public in and for the
Province of British Columbia

[Notarial Seal]

SCHEDULE 1

Schedule of Equipment

50 new National Steel Car manufactured 73' long, 286,000 lb. gross rail load centerbeam
lumber railcars marked and numbered as follows:

NOKL 733000 - 733049